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FM AMEMBASSY BISSAU
TO SECSTATE WASHDC PRIORITY 326

C O N F I D E N T I A L SECTION 1 OF 3 BISSAU 0212

C O R R E C T E D C O P Y (SECTION 1 OF 3 VICE 1 OF 2)

E.O. 11652: GDS
TAGS: PFOR, AMGT, CV
SUBJ: PARM-ANNUAL POLICY AND RESOURCE ASSESSMENT
PART I - CAPE VERDE

REF A CERP 0001, B STATE 061301

SUMMARY. THERE FOLLOWS EMBASSY BISSAU'S SUBMISSION FOR POLICY PLANNING CYCLE FOR CAPE VERDE PREPARED UNDER SAME CONDITIONS AS GUNIEA-BISSAU ASSESSXENT (SEPTTEL) IN CONJUNCTION WITH WHICH THIS ASSESSMENT SHOULD BE READ. PRINCIPAL COURSE OF ACTION RECOMMENDED IS OPENING UF U.S. EMBASSY IN PRAIA AND IS BASED ON AMBASSADOR WELLS' MEMO TO AMBASSADOR SCHAUFLE OF MARCH 15, 1977. WHILE OBJECTIVES AND COURSES OF ACTION RECOMMENDED FOR FY 79 ASSUME A U.S. MISSION IN CAPE VERDE, THEY WOULD FOR THE MOST PART REMAIN VALID, THOUGH CONSIDERABLY MORE DIFFICULT TO MPLEMENT, IN THE ABSENCE OF A MISSION. END SUMMARY.

1. POLICY ASSESSMENTS-

A. U.S. INTERESTS: THE UNITED STATES HAD CONSIDERABLY GREATER INTERESTS IN CAPE VERDE THAN IN GUINEA-BISSAU. WE HAVE AN ORVERRIDING HUMANITARIAN INTEREST IN ASSISTING THE CAPE VERDE
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GOVERNMENT'S ATTEMPT TO AVOID THE FAMINES WHICH HAVE PALGUED THE ISLAND'S HISTORY. OUR INTEREST IN THIS AND OUR CONCOMITANT DESIRE TO ASSIST ECONOMIC AND SOCIAL DEVELOPMENT IS ALL THE MORE IMPORTANT IN VIEW OF CONGRESSIONAL INTEREST IN THE ISLANDS WHICH CONTAIN NUMEROUS AMERICAN CITIZENS AND EVEN MORE RELATIVES OF U.S. CITIZENS.
CAPE VERDE'S LOCATION ASTRIDE THE CAPE/EUROPE AND EUROPE/

SOUTH AMERICAN SHIPPING LANES AND ITS CONVENIENT LOCATION FOR THE MONITORING OF NAVAL MOVEMENTS BETWEEN THE NORTH AND SOUTH ATLANTIC MAKE IT OF STRATEGIC INTEREST TO THE U.S. THE PRINCIPAL DIMENSION OF THIS STRATEGIC INTEREST IS IN DENYING USE OF THIS WELL SITUATED REAL ESTATE TO THE SOVIET UNION. TO THE EXTENT THAT IT DOES NOT INTERFERE WITH OUR PRINCIPAL INTEREST IN DENYING THE SOVIETS, WE HAVE AN INTEREST IN USING THE ISLANDS OURSELVES FOR OUR OWN SURVEILLANCE ACTIVITIES.

THE PROTECTION AND WELFARE OF THE APPROXIMATELY 300 AMERICANS IN THE ISLANDS, ONE OF THE LARGEST NON-OFFICIAL RESIDENT AMERICAN COMMUNITIES IN AFRICA, IS A SIGNIFICANT INTEREST OF THE UNITED STATES. THESE PEOPLE ARE GENERALLY OLDER AND POORER AMERICANS REQUIRING CONSIDERABLY MORE SERVICES THAN THE AVERAGE AMERICAN LIVING ABROAD.

THE U.S. CURRENTLY HAS LITTLE COMMERCIAL OR FINANCIAL STAKE IN THE ISLANDS BUT SOME POTENTIAL DOES EXIST. IT IS IN OUR INTERESTS TO EXPLORE THAT POTENTIAL. ON THE OTHER HAND, CAPE VERDE HAS NO KNOWN MINERAL RESOURCES OF INTEREST TO THE UNITED STATES.

THAT CAPE VERDE WITH ITS CLOSENESS AND HISTORIC TIES TO THE UNITED STATES AND ITS CLOSE IDENTIFICATION WITH AFRICA PLAY AN INCREASING ROLE IN AFRICAN POLITICS IS IN OUR LONG-TERM INTEREST. CAPE VERDE, IN SPITE OF ITS TIES TO AFRICA'S MORE RADICAL STATES, ATTEMPTS TO CHART A MODERATE COURSE IN INTRA-AFRICAN POLITICS. AFRICA'S RESPECT FOR THIS OPTION IS EVIDENCED BY THE LACK OF CRITICISM OF CAPE VERDE'S POLICY OF PERMITTING SOUTH AFRICAN AIRWAYS TO LAND AT SAL ISLAND. IT IS IN OUR INTEREST TO ENCOURAGE THAT MODERATION.

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B OVERVIEW: LIKE IN GUINEA-BISSAU, THE CAPE VERDEAN GOVERNMENT AND PARTY LEADERSHIP ARE STILL IN THEIR SHAKE-DOWN PHASE. UNLIKE GUINEA-BISSAU, HOWEVER, THE PAIGC IN CAPE VERDE DID NOT COME TO POWER AFTER WINNING A WAR AND WITH THE ASSURED SUPPORT OF LARGE NUMBERS OF THE POPULATION. THEY WERE PLACED IN POWER BY THE PORTUGUESE AT A TIME WHEN THE MOST RADICAL ELEMENTS HELD SWAY IN LISBON. AGAIN, UNLIKE BISSAU, PRAIA'S NEW GOVERNMENT WAS NOT BASED SOLELY ON FREEDOM FIGHTERS BUT INCLUDED NUMEROUS EXILED TECHNOCRATS. IT IS NOT SURPRISING, THEREFORE THAT ALTHOUGH THE GOVERNMENTS OF GUINEA-BISSAU AND CAPE VERDE ARE FORMED FROM THE SAME POLITICAL PARTY, THEIR APPROACHES TO INTERNAL AND EXTERNAL POLITICS HAVE BEEN CONSIDERABLY DIFFERENT. AND THE CAPE VERDEANS HAVE FOUND THAT, AT LEAST IN SOME RESPECTS, TO HAVE FOLLOWED THE MORE MODERATE COURSE AS THEY HAVE WAS THE WISER CHOICE. THEY CAN BE EXPECTED TO CONTINUE TO CHART THEIR INDEPENDENT COURSE.

THE THIRD PAIGC CONGRESS SCHEDULED FOR JULY 1977 WILL GIVE IMPORTANT INDICATIONS AS TO THE COUNTRY'S FUTURE. THE OPEN WESTERN ORIENTED APPROACH TO DEVELOPMENT ASSISTANCE

WILL LIKELY BE JUSTIFIED BY THE CONGRESS BUT THE EMBASSY EXPECTS THAT THE RADICAL RHETORIC OF THE CONGRESS HAVING TO DO WITH PARTY ORGANIZATION WILL BE OFFSET, AT LEAST FOR CAPE VERDE, BY THE EMERGENCE OF IDENTIFIABLE STRUCTURES REPRESENTING THE CAPE VERDEAN AND GUINEAN WINGS OF THE PARTY. IT IS NOT SURPRISING THAT THIS IS A CAPE VERDEAN DEMAND. ANOTHER CAPE VERDEAN DEMAND IS FOR A DECREASING MILITARY ROLE IN HIGH PARTY ORGANS. HOW THE CONGRESS WILL HANDLE THIS QUESTION IS NOT CLEAR BUT ANY DECREASE IN MILITARY INFLUENCE IN THE PARTY WILL ALMOST SURELY MEAN DECREASED SOVIET INFLUENCE.

THE SOVIETS HAVE BEEN REBUFFED IN THEIR ATTEMPTS TO GAIN INFLUENCE IN CAPE VERDE. THEY WERE NOT PERMITTED USE OF SAL AIRPORT FOR THEIR ANGOLAN SHUTTLE AND HAVE PROBABLY BEEN REFUSED NAVAL VISIT RIGHTS. THEY HAVE RECENTLY BEGUN A PROGRAM OF MILITARY COOPERATION, HOWEVER, AND THERE ARE REPORTS OF A FEW RUSSIAN ADVISORS AND SOME RUSSIAN EQUIPMENT ARRIVING. WHILE FAR FROM THE SITUATION OF DEPENDENCE EXISTING IN GUINEA-BISSAU, CONFIDENTIAL

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THIS REPRESENTS A STEP FORWARD FOR THE SOVIET ADDITION. THEY ARE BOUND TO ATTEMPT TO PUSH FURTHER.

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THERE IS NO SERIOUS ORGANIZED OPPOSITION TO THE PAIGC WITHIN THE ISLANDS BUT THERE ARE MANY WHO STILL DO NOT ACCEPT THE PAIGC'S ECONOMIC OR FOREIGN POLICIES AND WHO ARE CERTAINLY OPPOSED TO CAPE VERDE'S ASSOCIATION WITH GUINEA-BISSAU.

SUCH OPPOSITION FINDS ITS MOST VOCAL EXPRESSION IN CAPE VERDEAN EMIGRANT COMMUNITIES ABROAD AND HAS RESULTED IN DECREASES IN THE PRIVATE REMITTANCES ON WHICH THE COUNTRY DEPENDS FOR ITS FOREIGN EXCHANGE. THE PAIGC IS PARTICULARLY CONCERNED WITH ANTI-REGIME ACTIVITIES IN THE U.S. WHICH MAY BE THE SOURCE OF SOME FRICITION IN OUR BILATERAL RELATIONS OVER THE NEXT YEAR OR TWO. IF THE PAIGC CONTINUES TO FOLLOW ITS CURRENT PRAGMATIC POLICIES WITH REGARD TO ECONMIC REORGANIZATION, BOTH INTERNAL AND EXTERNAL OPPOSITION CAN BE EXPECTED TO FADE IN SIGNIFICANCE.

OUR POLICIES ON SOUTHERN AFRICA, WHILE OF INTEREST TO THE CAPE VERDEANS, WILL NOT BE THE TOUCHSTONE OF THEIR EVALUATION OF THE U.S. THEIR OWN INVOLVEMENT WITH SOUTH AFRICA DOES NOT PERMIT THEM TO BE SHRILL IN THEIR CONDEMNATION THOUGH THEY ARE IN FULL SUPPORT OF MAJORITY RULE. THEY WILL BE MORE INTERESTED IN OUR ECONOMIC ASISTANCE EFFORT AND OUR RESPONSIVENESS TO THEIR PLEAS FOR FOOD ASSISTANCE SHOULD DROUGHT AGAIN LEAVE THEM SHORT OF THE POPULATION'S FOOD REQUIREMENTS.

C. OBJECTIVES, COURSES OF ACTION AND ISSUES: OBJECTIVES AND CONFIDENTIAL

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RELATED COURSES OF ACTION ARE PRESENTED IN DESCENDING ORDER OF PRIORITY.

1. CAPTIALIZE ON CAPE VERDEAN GOOD WILL AND STRONG LINKS WITH THE U.S.: UNLIKE GUINEA-BISSAU, CAPE VERDE HAS STRONG HISTORIC LINKS TO THE UNITED STATES. MANY OF ITS LEADERS HAVE VISITED THE U.S., HAVE RELATIVE LIVING THERE OR SONS AND DAUGHTERS IN U.S. UNIVERSITIES. THERE IS A TREMENDOUS RESERVOIR OF FOOD WILL AMONG THE CAPE VERDEAN PEOPLE FOR THE U.S. WHICH HAS BEEN REGARDED AS A LAND OF MILK AND HONEY FOR OVER A CENTURY AND A HALF.

RECOMMENDED COURSES OF ACTION:

--OPEN A U.S. EMBASSY IN PRAIA, HEADED BY A CHARGE BUT DEPENDENT ON THE U.S. EMBASSY IN BISSAU. PRESIDENT PEREIRA AND OTHER HIGH LEVEL CAPE VERDEANS HAVE SEPCIFICALLY REQUESTED US TO DO THIS AND AT THE SAME TIME OTHERS, THE EAST GERMANS FOR EXAMPLE, HAVE BEEN TOLD A DUALY ACCREDITED EMBASSY IN BISSAU IS SUFFICIENT. THE GOCV HAS EXPRESSED ITS DISAPPOINTMENT WITH CURRENT ARRANGEMENT AND HAS POINTED TO THE ANOMALY OF THEIR THREE PLANNED MISSION IN THE U.S. (EMBASSY IN WASHINGTON, MISSION IN NEW YORK, AND CONSULATE GENERAL IN BOSTON) AND THE LACK OF ANY U.S. PRESENCE IN CAPE VERDE.

-- COSIDER THE AMBASSADOR, THOUGH RESIDENT IN BISSAU, TO BE ACCREDITED TO TWO COUNTRIES OF EQUAL IMPORTANCE TO U.S. INTERESTS AND TO THAT END SUCH BUDGETARY STEPS AS ARE NECESSARY TO ENABLE THE AMBASSADOR TO SPEND HALF

OF HIS/HER TIME IN CAPE VERDE.

2. AVOID FAMINE: U.S. HUMANITARIAN AND CONGRESSIONAL INTEREST IN CAPE VERDE IS STRONG. WE WISH TO HELP THE GOCV AVERT FAMINE WHICH, IN VIEW OF THE COUNTRY'S MINIMAL AGRICULTURAL POTENTIAL AND LOCATION IN THE SAHEL REGION, WILL ALWAYS BE POSSIBLE. WE HAVE TAKEN A LEADING ROLE AMONG FOOD DONORS SINCE CPAE VERDEAN INDEPENDENCE, BILATERALLY SUPPLYING DOLS 2 MILLION IN GRAIN IN FY 76 AND 11,500
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TONS OF GRAIN IN FY 77 IN ADDITION TO OUR EFFORT THROUGH THE WORLD FOOD PROGRAM.

RECOMMENDED COURSES OF ACTION:

-- ESTABLISH AN EMBASSY IN PRAIA WHICH CAN WORK WITH THE GOVERNMENT TO ASCERTAIN THE COUNTRY'S ANNUAL FOOD NEEDS AND WHICH CAN BETTER COORDINATE SHIPPING SCHEDULES AND DEAL WITH DISTRIBUTION AND STORAGE PROBLEMS.
-- IN LIGHT OF CAPE VERDE'S INABILITY EVEN IN YEAR'S OF PLENTIFUL RAINFALL TO PRODUCE SUFFICIENT FOOD, CONSIDER NEGOTIATING A LONG-TERM AGREEMENT (TEN YEARS) WITH CAPE VERDE FOR U.S. FOOD ASSISTANCE FOR VULNERABLE GROUPS. THIS COULD BE DONE BILATERALLY OR THROUGH WFP. GREATER SHORTFALLS RESULTING FROM BAD HARVESTS COULD BE MET WITH EMERGENCY PROGRAMS. DURING THE TEN-YEAR PERIOD, AID AND OTHER DONOR ASSISTANCE EFFORTS WILL HAVE HAD TIME TO ENABLE THE COUNTRY TO DEVELOP EXPORTS THE EARNINGS FROMWHICH CAN BEGIN TO BUY FOOD IMPORTS TO REPLACE DEPENDENCE ON FOREIGN ASSISTANCE.

3. DENY THE SOVIETS BASE RIGHTS OR USE OF EXISTING FACILITIES: THE CAPE VERDEANS ARE CURRENTLY NOT INCLINED TO ACCEDE TO SOVIET REQUESTS FOR MILIATRY USE OF CAPE VERDEAN PORTS OR AIPROTS. WE WANT THAT POSITION TO CONTINUE.

RECOMMENDED COURSES OF ACTION:

-- OPEN AN EMBASSY IN PRAIA TO ENABLE US TO MORE EFFECTIVELY ENUNCIATE OUR ACCPETANCE OF THE PRINCIPLE OF NON-ALIGNMENT AND HOW WE FEEL SOVIET BASES WOULD BE INCONSISTENT WITH THAT POLICY.
-- RETAIN REPORTING ON SOVIET ACTIVITIES AS THE PRINCIPAL PRIORITY OF THE POLITICAL REPORTING PROGRAM WITH A VIEW TO PROVIDING AN EARLY WARNING SHOULD SOVIET CONSTRUCTION ACTIVITIES COMMENCE.
-- CONTINUE TO ACTIVELY DEVELOP OUR ECONOMIC AND SOCIAL ASSISTANCE PROGRAM, SELF-HELP FUND, CULTURAL AND EDUCATION EXCHANGE, COMMERCIAL ATIVITIES, ETC. IN AN ATTEMPT TO
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DEMONSTRATE THE ADVANTAGES OF COOPERATION WITH THE U.S.
IN PARTICULAR AND THE WEST IN GENERAL.

-- ATTEMPT TO WIDEN EMBASSY CONTACTS WITH THE CAPE VERDEAN
MILITARY AND TO THAT END ENCOURAGE FURTHER VISITS OF THE
U.S. DEFENSE ATTACHE.

4. ENSURE THE SMOOTH DELIVERY OF U.S. GOVERNMENT SERVICES TO
AMERICAN CITIZENS RESIDENT IN CAPE VERDE AND ESTABLISH MORE
EQUITABLE PROCEDURES FOR THE EXPECTED INCREASE IN IMMIGRANT
VISA APPLICATION: THERE ARE 744 FEDERAL BENEFICIARIES
IN CAPE VERDE RECEIVING SOME DOLS 90,000 PER MONTH IN U.S.
TREASURY CHECKS. ALTHOUGH U.S. DIPLOMATIC RELATIONS WITH
CAPE VERDE ARE HANDLED FROM THE U.S. EMBASSY IN BISSAU, CON-
SULAR QUESTIONS ARE HANDLED AS IF CAPE VERDE WERE STILL A
DEPENDENT TERRITORY OF PORTUGAL. APPLICANTS FOR IMMIGRANT
VISAS (EXPECTED TO REACH 1,500 PER YEAR IN THE NEXT
YEAR OR TWO) AND NON-IMMIGRANT VISAS MUST TRAVEL TO LISBON.
THE GOCV RESENTS THE FOREIGN EXCHANGE LOSS THIS ENTAILS.
MANY APPLICANTS SPEND NEARLY A YEAR IN LISBON AWAITING DECI-
SIONS ON THEIR APPLICATIONS.

RECOMMENDED COURSES OF ACTION:

-- OPEN AN EMBASSY IN PRAIA WITH SUFFICIENT CONSULAR EXPERTISE
AND STAFF TO HANDLE ALL THESE CONSULAR MATTERS.
-- UNDERTAKE A CAMPAIGN TO REGISTER RESIDENT AMERICAN CITIZENS
AND FEDERAL BENEFICIARIES.
-- UNDERTAKE A PUBLIC RELATIONS CAMPAIGN TO EXPLAIN U.S.
IMMIGRATION LAWS IN ORDER TO AVOID PUBLIC OUTCRY AT THE
INEVITABLY HIGH VISA REFUSAL RATE A NEW EMBASSY WILL
ENCOUNTER.

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5. ENCOURAGE A MORE MODERATE CAPE VERDEAN STANCE IN INTERNATIONAL ORGANIZATION: BEFORE THE 31ST UNGA, CAPE VERDE INDICATED A WILLINGNESS TO RECONSIDER ITS HOSTILE VOTING ON KOREA.

RECOMMENDED COURSES OF ACTION:

- OPEN EMBASSY IN PRAIA TO BETTER LOBBY WITH THE CAPE VERDEAN LEADERSHIP ON MULTILATERAL ISSUES IMPORTANT TO US. THE CURRENT SITUATION OF OCCASIONAL VISITS HAS RESULTED IN FLEETING AND INFREQUENT OPPORTUNITIES TO DISCUSS VITAL ISSUES WITH THE FOREIGN MINISTER AND PRESIDENT. WE MUST IMPROVE OUR ACCESS TO THESE TWO DECISION MAKERS IN ORDER TO ENCOURAGE CAPE VERDEAN MODERATION.
- IDENTIFY AT AN EARLY STAGE THOSE ISSUES WHICH ARE IMPORTANT TO US AND ON WHICH CAPE VERDE MIGHT BE FLEXIBLE (SUCH AS PUERTO RICO, GUAM AND KOREA BUT NOT MIDDLE-EAST QUESTIONS) AND BEGIN A DIALOGUE.
- CONSIDER MAKING A SPECIAL EFFORT WITH THE HEAD OF CAPE VERDE'S DELEGATION TO THE 32ND UNGA BY ARRANGING FOR HIM TO BE RECEIVED AT A HIGH LEVEL IN WASHINGTON (BY THE SECRETARY OF THE DELEGATION IS HEADED BY FOREIGN MINISTER DUARTE AS IS PROBABLY OR BY THE PRESIDENT SHOULD PRESIDENT PEREIRA DECIDE TO ATTEND).

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6. SUPPORT CAPE VERDE'S ECONOMIC AND SOCIAL DEVELOPMENT: WE HAVE A HUMANITARIAN INTEREST IN ASSISTING THE POOREST SECTORS OF CAPE VERDEAN SOCIETY. THE GOVERNMENT'S DEVELOPMENT PRIORITY OF AGRICULTURE FITS NEATLY WITH CONGRESSIONAL MANDATES.

RECOMMENDED COURSES OF ACTION:

- AN AGRICULTURAL DEVELOPMENT OFFICER SHOULD BE ASSIGNED TO PRAIA AS SOON AS POSSIBLE.
- THE PROPOSED LEVEL OF ASSISTANCE IN THE AGRICULTURAL SECTOR OF DOLS 2,000,000 ANNUALLY SEEMS SUFFICIENT BUT FURTHER CONSIDERATION SHOULD BE GIVEN TO EXPANDING PROGRAMS IN HEALTH AND EDUCATION.
- GIVEN CAPE VERDE'S RELIANCE ON EXPORT EARNINGS TO BUY FOOD, AID SHOULD FAVORABLY CONSIDER PROJECT PROPOSALS WHICH, THOUGH OUTSIDE CONGRESSIONALLY MANDATED PRIORITIES, IMPROVE FOREIGN EXCHANGE EARNING POTENTIAL. THE SAL DESALINIZATION PROJECT SHOULD BE VIEWED IN THIS LIGHT.
- WITH THE BREAKTHROUGH IN GUINEA-BISSAU FOR PEACE CORPS, WE SHOULD FOLLOW-UP SOON IN CAPE VERDE. PEACE CORPS PROGRAMS CAN BE PARTICULARLY EFFECTIVE IN ENGLISH TEACHING,

HORTICULTURE, REFORESTATION, FAMILY PLANNING AND SMALL BUSINESS DEVELOPMENT.

-- THE SELF-HELP FUND, WITH SUBSTANTIAL IMPOACT AT LOW COST SHOULD BINCREASED TO DOLS 50,000 IN FY 78 AND DOLS 100,000 IN FY 79 IF AN EMBASSY IS ESTABLISHED. EVEN WITHOUT THE FULL-TIME PRESENCE OF AN EMBASSY OFFICER IN PRAIA, THE FUND SHOULD BE INCREASED TO DOLS 50,000 BY FY 79.

7. PROMOTE U.S. BUSINESS INTERESTS: THE CAPE VERDEAN MARKET FOR U.S. PRODUCTS IS SMALL BUT SPECIALIZED OPPORTUNITIES DO OCCASIONALLY ARISE. AID FLOWS OFFER OPPORTUNITIES FOR U.S. BANKS.

RECOMMENDED COURSES OF ACTION:
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-- WE SHOULD BE ALERT TO SPECIAL EXPORT OPPORTUNITIES SUCH AS TACV PLANS TO ACQUIRE JET AIRCRAFT.
-- U.S. BANKS SHOULD BE ENCOURAGED TO CONSIDER FINANCING PROJECT PACKAGES IN CAPE VERDE AS THD COUNTRY'S LONNG-TERM FOREIGN EXCHANGE EARNINGS PROSPECTS APPEAR STABLE.

8. GAIN ACCESS TO CAPE VERDEAN AIRPORTS AND PORTS FOR U.S. MILITARY CRAFT: A REQUEST WAS MADE TO THE GOCV IN DECEMBER 1976 FOR AUTHORIZATION FOR ADVANCED RANGE INSTRUMENT AIRCRAFT LANDING RIGHTS AT SAL AIRPORT. NO REPLY HAS BEEN RECEIVED BUT SEVERAL CAPE VERDEAN OFFICIAL HAVE POINTED OUT THE DIFFICULTIES OF GRANTING SUCH RIGHTS TO THE U.S.

RECOMMENDED COURSE OF ACTION:
-- REFRAIN FROM HASTY REQUESTS FOR LANDING RIGHTS OR VISITS.
ISSUE: OPENING AU.S. EMBASSY IN PRAIA.

THE ARGUMENTS FOR OPENING AN EMBASSY IN PRAIA ARE AN INTERGRAL PART OF THE COURSES OF ACTION RECOMMENDED TO ACHIEVE OUR OBJECTIVES IN CAPE VERDE. HE PURSUIT O THOSE OBJECTIVES FROM AN EMBASSY LOCATED IN BISSAU, WHILE NOT IMPOSSIBLE FOR NON-CONSULAR MATTERS, WOULD BE CONSIDERABLY MORE DIFFICULT AND LESS LIKELY TO BEAR FRUIT. TO MAINTAIN THE PRESENT SITUATION WOULD ALSO ENABLE CURRENT CAPE VERDEAN DISCONTENT TO ACCUMULATE UNTIL IT BECOMES A MAJOR BILATERAL ISSUE. A THIRD OPTION, THAT OF TRANSFERRING CONSULAR RESPONSIBILITY FROM LISBON TO BISSAU, WHILE DEFUSING SOME OF CAPE VERDE'S COMPLAINTS WOULD PESENT LOGISTICAL PROBLEMS FOR US AND FOR CONSUMERS OF CONSULAR SERVICES EVEN GREATER THAN THOSE NOW EXISTING. A WASHINGTON DECISION IS NEEDED SOON ON THIS ISSUE AS START UP TIME IN HOUSING-SHORT PRAIA WILL BE CONSIDERABLE.
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